1	MANAGEMENT OF NOTARIES PUBLIC BY
2	LIEUTENANT GOVERNOR
3	2003 GENERAL SESSION
4	STATE OF UTAH
5	Sponsor: Loraine T. Pace
6	This act modifies provisions relating to Notaries Public by transferring the
7	administration of the Notaries Public Reform Act from the Division of Corporations and
8	Commercial Code to the lieutenant governor. The act designates the money collected
9	under the Notaries Public Reform Act as a restricted account.
10	This act affects sections of Utah Code Annotated 1953 as follows:
11	AMENDS:
12	17-20-3, as last amended by Chapter 152, Laws of Utah 1988
13	46-1-3, as last amended by Chapter 158, Laws of Utah 2000
14	46-1-4, as last amended by Chapter 287, Laws of Utah 1998
15	46-1-19, as repealed and reenacted by Chapter 287, Laws of Utah 1998
16	<b>46-1-20</b> , as enacted by Chapter 287, Laws of Utah 1998
17	<b>46-1-21</b> , as enacted by Chapter 287, Laws of Utah 1998
18	ENACTS:
19	<b>46-1-23</b> , Utah Code Annotated 1953
20	Be it enacted by the Legislature of the state of Utah:
21	Section 1. Section 17-20-3 is amended to read:
22	17-20-3. County clerk Record of notaries public.
23	The county clerk of each county receiving certifications of notaries public from the
24	[Division of Corporations and Commercial Code] lieutenant governor shall keep and maintain
25	an indexed record for that purpose, showing the names of all persons holding notarial
26	commissions, with the dates of issuance and expiration.
27	Section 2. Section <b>46-1-3</b> is amended to read:



H.B. 175 12-18-02 4:44 PM

28	46-1-3. Qualifications Commissioning Jurisdiction and term.
29	(1) Except as provided in Subsection (3), the [director of the Division of Corporations
30	and Commercial Code] lieutenant governor shall commission as a notary any qualified person
31	who submits an application in accordance with this chapter.
32	(2) A person qualified for a notarial commission shall:
33	(a) be 18 years of age or older;
34	(b) lawfully reside in this state 30 days immediately preceding the filing for a notarial
35	commission and maintain permanent residency thereafter;
36	(c) be able to read, write, and understand English;
37	(d) submit an application to the [Division of Corporations and Commercial Code]
38	lieutenant governor containing no significant misstatement or omission of fact and include at
39	least:
40	(i) a statement of the applicant's personal qualifications, the applicant's residence
41	address, a business address in this state, and daytime telephone number;
42	(ii) the applicant's age and date of birth;
43	(iii) all criminal convictions of the applicant, including any pleas of admission and
44	nolo contendere;
45	(iv) all issuances, denials, revocations, suspensions, restrictions, and resignations of a
46	notarial commission or other professional license involving the applicant in this or any other
47	state;
48	(v) the acknowledgment of a passing score by the applicant on a written examination
49	administered under Subsection (5);
50	(vi) a declaration by the applicant; and
51	(vii) an application fee determined under Section 63-38-3.2; and
52	(e) be a Utah resident or have permanent resident status under Section 245 of the
53	Immigration and Nationality Act; and
54	(f) be endorsed by two residents of the state who are over the age of 18.
55	(3) The [director of the Division of Corporations and Commercial Code] lieutenant
56	governor may deny an application based on:
57	(a) the applicant's conviction for a crime involving dishonesty or moral turpitude;
58	(b) any revocation, suspension, or restriction of a notarial commission or professional

12-18-02 4:44 PM H.B. 175

- 59 license issued to the applicant by this or any other state;
  - (c) the applicant's official misconduct while acting in the capacity of a notary; or
    - (d) the applicant's failure to pass the written examination.
  - (4) A person commissioned as a notary by the [Division of Corporations and Commercial Code] lieutenant governor may perform notarial acts in any part of this state for a term of four years, unless the person resigned or the commission is revoked or suspended under Section 46-1-19.
  - (5) [(a)] Each applicant for a notarial commission shall take a written examination approved by the [division] lieutenant governor and submit the examination to a testing center designated by the [division] lieutenant governor for purposes of scoring the examination. The testing center designated by the [division] lieutenant governor shall issue a written acknowledgment to the applicant indicating whether the applicant passed or failed the examination.
  - [(b) The division shall make rules pursuant to Title 63, Chapter 46a, Utah Administrative Rulemaking Act, to implement the examination process required by Subsection (5)(a).]
    - Section 3. Section **46-1-4** is amended to read:
- **46-1-4. Bond.**

- (1) A notarial commission may not become effective until a constitutional oath of office and a \$5,000 bond has been filed with and approved by the [Division of Corporations and Commercial Code] lieutenant governor. The bond shall be executed by a licensed surety for a term of four years commencing on the commission's effective date and terminating on its expiration date, with payment of bond funds to any person conditioned upon the notary's misconduct while acting in the scope of his commission.
- (2) The bond required under Subsection (1) may be executed by the Office of Risk Management for notaries public employed by a state office or agency.
  - Section 4. Section **46-1-19** is amended to read:
- 46-1-19. Revocation or suspension.
  - The [Division of Corporations and Commercial Code] <u>lieutenant governor</u> may revoke or suspend a notarial commission on any ground for which an application for a notarial commission may be denied under Section 46-1-3.

H.B. 175 12-18-02 4:44 PM

90	Section 5. Section <b>46-1-20</b> is amended to read:
91	46-1-20. Change of name or address.
92	(1) Within 30 days after the change of the notary's name or address, the notary shall
93	provide to the [Division of Corporations and Commercial Code] lieutenant governor a bond
94	policy rider.
95	(2) To obtain a bond policy rider, the notary shall:
96	(a) notify the surety for the notary's bond;
97	(b) obtain a bond policy rider reflecting both the old and new name of the notary or the
98	old and new address of the notary;
99	(c) return a bond policy rider, the original "Certificate of Authority of Notary Public";
100	(d) pay a \$5 fee; and
101	(e) destroy the old official seal.
102	Section 6. Section 46-1-21 is amended to read:
103	46-1-21. Resignation.
104	(1) A notary who resigns a notarial commission shall provide to the [Division of
105	Corporations and Commercial Code] <u>lieutenant governor</u> a notice indicating the effective date
106	of resignation.
107	(2) A notary who ceases to reside in this state or who becomes unable to read and write
108	as provided in Section 46-1-3 shall resign the commission.
109	(3) A notary who resigns shall destroy the official seal and certificate.
110	Section 7. Section <b>46-1-23</b> is enacted to read:
111	46-1-23. Notaries Public Account.
112	(1) There is created within the General Fund a restricted account known as the Notaries
113	Public Account.
114	(2) The lieutenant governor shall deposit all money collected under this chapter into
115	the Notaries Public Account.
116	(3) The lieutenant governor may use the Notaries Public Account to administer this
117	chapter.

12-18-02 4:44 PM H.B. 175

## Legislative Review Note as of 12-3-02 1:18 PM

A limited legal review of this legislation raises no obvious constitutional or statutory concerns.

Office of Legislative Research and General Counsel

Fiscal Note	Management of Notaries Public by Lieutenant Governor	22-Jan-03
Bill Number HB0175		10:49 AM

## **State Impact**

It is estimated that the bill is revenue neutral. The program and one FTE will move from the Division of Corporations and Commercial Code to the Lieutenant Governor.

	FY 04 Approp.	FY 05 Approp.	FY 04 Revenue	FY 05 Revenue
Restricted Funds	\$0	\$0	\$100,000	\$100,000
Commerce Service Fund	\$0	\$0	(\$100,000)	(\$100,000)
TOTAL	\$0	\$0	\$0	\$0

## **Individual and Business Impact**

No fiscal impact.

Office of the Legislative Fiscal Analyst